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MEMORANDUM FOR THE RECORD

SUBJECT : Gasoline Rationing Policy and Contingency Plans  
for Motor Vehicles Used for Official Business

REFERENCE: Conversation 21 May 1974 with Ivison W. Rhodes,  
Director, Motor Equipment Management Division,  
Federal Supply Service

In response to my query on this subject, Mr. Rhodes advised that neither policy nor plans have been established within General Services Administration (GSA) for the rationing of gasoline for official business use vehicles. Mr. Rhodes further advised that GSA recognized the need for action in this area since overall there are more than 420,000 Government owned vehicles involved. The Federal Energy Office (FEO) has jurisdiction over rationing policy and plans, and GSA submitted a letter to the FEO about two weeks ago requesting guidance for Government-wide application. GSA expects that another two weeks will elapse before FEO responds. I inquired as to whether the GSA letter included the problem related to motor vehicles which are not identified as Government-owned, i.e. personally-owned vehicles used for official business on a reimburseable basis. Mr. Rhodes replied that this problem was specifically included in the letter since it is of concern to a number of Government agencies. Mr. Rhodes asked me to call back in two weeks (4 April) as to the FEO response. At such time as it is received, Mr. Rhodes will relay to this Agency all information received from FEO.



Plans & Programs Staff

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THE WASHINGTON POST

Wednesday, March 13, 1974

# FEO Sets Study on Rationing

By Tim O'Brien

Washington Post Staff Writer

The Federal Energy Office has set June 3 as the target date for imposing nationwide gasoline rationing, if it is found necessary, and the office is contracting for a study of the impact of rationing on business and industry.

Any decision to ration will have to be made at least a week before implementation, in order to inform coupon distribution centers of the details of the program.

An FEO spokesman confirmed yesterday that the agency is using June 3 as a target date for imposing any rationing program, but he stressed that rationing can be avoided and is not inevitable.

The date was first revealed by FEO officials at a closed meeting on Monday with representatives of several research and consulting firms. The firms were asked to submit bids by March 13 on a last-minute project to survey the gasoline needs and consumption patterns of U.S. business.

Sources at the meeting said the consultants were given a "very tight" timetable on which to complete the research, based on the June 3 target date. The research involves a national survey of 3,800 randomly selected businesses and industries to analyze the impact of gasoline rationing on the commercial sector and to provide data upon which to make rationing decisions.

The FEO spokesman said one use of the survey may be to modify or elaborate on the standby rationing proposal that was announced in January.

posals would ration gasoline to businesses on the basis of historic gas consumption per commercial vehicle, and that "this might be inequitable—very difficult" to do.

He said June 3 is the "logical date when everything could be put together" and that the preparatory and planning work of the agency centers on that date. "But events could force an earlier date," he said.

Reportedly seven consulting and research firms were represented on Monday at the FEO's briefing on the gasoline survey project. Charles Scott, the agency's technical director of the project, said the survey should be low-key. A source said Scott "didn't want to arouse public anticipation or speculation or concern" over possible rationing.

According to sources at the meeting, Scott said the June 3 date was chosen because gasoline use historically peaks in late spring and early summer. He reportedly said the details of a rationing program will have to be decided upon by April 15, since a 30-day waiting and comment period is required before the rules can become effective. In addition, the FEO wants to give the public two weeks' warning.

The sources said the research contract calls for a preliminary report by April 5, showing the percentage of all gasoline that is used in other than private activities, broken down by type of business and industry.

By April 15, a report is to be submitted on gasoline use by small businesses. It would include recommendations for rationing gas to the non-private sector.

Other reports would include an analysis of the quality of business records on gasoline use and further breakdowns on commercial gasoline consumption.

An energy office spokesman said other studies into the implications of rationing are under way, but he would not give any details.

Sources who attended the Monday meeting said Scott indicated that the FEO is trying to develop an equitable rationing plan for the non-private sector and that the agency wants to go beyond the present formula based on the number of motor vehicles operated by a business.

Other rationing techniques, Scott reportedly said, might be based on the size of a business, the number of employees or dollar sales.

He reportedly said the national survey of businesses would provide data to help answer this question.

Meanwhile yesterday, the administration submitted to Congress a new energy bill to provide authority to impose end-use rationing and various mandatory conservation measures, if they become necessary. Authority for the President to impose rationing was included in the Energy Emergency Act that was vetoed Feb. 28.